



State Representative
Kathy Tallarita

LOB Room 5002 • State Capitol • Hartford, CT 06106-1591
Assistant Majority Leader

Dear Friends,

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The 2006 legislative session may have been the shortest session allowed by our constitution, twelve weeks, but we accomplished many good things.

I am pleased that we passed a budget that provided immediate and direct relief to Connecticut taxpayers and businesses. We kept our spending under control and protected Connecticut's citizens from rising taxes. The budget keeps Connecticut on the road to economic expansion, making Connecticut more business friendly and improving the climate for job growth for Connecticut families.

The Democrats fought and won the battle to fully fund the Teachers' Retirement Fund, and took measures to keep it funded in out years, a measure which was not part of the Governor's proposed budget in February. We protected ConnPACE, Dial-a-Ride and veterans benefits. We sent over \$800,000 more in funding back to Enfield under the Democrats budget than what was in the Governor's budget. We increased funding to Special Education, Town Aid Road and PIL-OT. I asked our Education and Appropriations Chairs to use some of the surplus money to help provide towns with one-time energy relief to help combat the rising cost of oil and gas in our schools which were not anticipated nor budgeted for last year. The Governor never fought for her elimination of the local property tax on cars, but we did raise the property tax credit to \$500 beginning in year 2006.

These are just a few of the many things we worked on this past session. If you have any questions on any of these issues or would like more information, please contact me.

I want to thank you for allowing me to continue to serve you, the people of the Town of Enfield; it has truly been my honor. Have a very safe, happy and healthy summer.

Kathy Tallarita

Improving the *state* of Connecticut



Tax Relief for Residents and Businesses

We passed a \$500 credit for residents on state income tax for property taxes paid on cars or home, a phase-out of property tax on manufacturing equipment, and elimination of corporate tax surcharge in 2007 for businesses.



Solving our Transportation Crisis

'The Roadmap for Connecticut's Economic Future' invests billions over the next decade to upgrade our aging transportation infrastructure.



Jobs = Economic Growth

'Jobs For The 21st Century' provides tax breaks for manufacturers, targeted tax incentives for the film industry and employer job creation incentives.



Healthy Kids, Healthy Workers

'Healthy Kids CT' legislation makes healthcare coverage more accessible to Connecticut's children by removing obstacles families had to navigate to enroll and keep children in HUSKY.



Improving Our Children's Future

'2020 Vision for Connecticut's Children' requires at least 10% of dollars spent on children to be dedicated to preventative programs by 2020.



Rep. Tallarita and Secretary of State Susan Bysiewicz meet with fourth grade students from EH Parkman School in the State Capitol.

Tax Exempt Energy Efficiency Products

In October 2005, House Democrats passed legislation to exempt residential weatherization and energy efficient products and energy efficient heating equipment from the sales tax until April 1, 2006. Legislation adopted this session begins the tax exemption again beginning on June 1, 2006 through June 30, 2007.

PA 06-186 (HB 5845) Effective Date: July 1, 2006

Corporation Tax Surcharge

The 15% corporation tax surcharge for the 2007 tax year will be eliminated. The surcharge applies to all corporations, except for those owing the \$250 minimum tax.

PA 06-186 (HB 5845) Effective Date: July 1, 2006

Income Tax Deduction for Contributions to CHET

Taxpayers will now be able to deduct their contributions to the Connecticut Higher Education Trust (CHET) from their Connecticut adjusted gross income for state income tax purposes. Single filers can deduct up to \$5,000 whereas joint filers can deduct \$10,000. Any unused deductions can be carried forward for the following five years so long as each deduction not exceed the annual maximums.

PA 06-186 (HB 5845) Effective Date: July 1, 2006

Housing Tax Credit

The Connecticut Housing Finance Authority (CHFA) received additional funding to improve and expand upon the Housing Tax Credit Program. Through this program CHFA awards tax credits to businesses that contribute funds to nonprofit housing organizations where low and moderate income housing is developed.

PA 06-186 (HB 5845) Effective Date: July 1, 2006

Displaced Worker Tax Credit

In an attempt to keep a strong and prosperous workforce in Connecticut, the state will enact a Displaced Worker Tax Credit. If a company hires a worker who was employed in Connecticut but let go as a direct result of business restructuring, that company can receive a \$1,500 per worker business tax credit. Business restructuring is defined as an employer that terminates at least 10 Connecticut workers.

In order to receive the tax credit, a company must pay an employee 75% of their previous annual wages for the first 12 months of employment and have no relation to the company from which the employee was terminated. A company can not claim the Displaced Tax Credit in conjunction with the existing credit for hiring a displaced electrical worker.

PA 06-186 (HB 5845) Effective Date: July 1, 2006

Healthy Food and Beverages in Schools

With increasing attention to the problem of childhood obesity, the Healthy Schools Initiative was passed to reinforce healthy eating habits at schools. The toughest law in the nation, Senate Bill 373 bans the sale of soda and sugary beverages and incentives schools to offer healthy food and snacks for purchase by students.

Another tool to provide for the nutritional health for our school children, the bill restricts the types of beverages sold in school at school stores, vending machines, school cafeterias and fundraising activities on school grounds. It requires the Department of Education to establish nutritional standards for food sold to students in school while providing a financial incentive to public schools who choose healthy foods and snacks. For each lunch served that meets these standards in the prior school year, the school will receive a 10-cent bonus in the state match to the National School Lunch Program.

With nine million overweight children nationwide, providing nutritious choices to our students is essential to providing them with healthy futures.

PA 06-03 (SB 373)

Disabled Veterans' Property Tax Exemption

This bill excludes veterans' disability payments when determining income for purposes of income-based property tax exemptions for veterans, the blind, and people with total disabilities. State-mandated exemptions are granted through two statutes; one requires towns to give all qualified applicants a basic \$1,000 property tax exemption, and the other requires towns to give veterans who get the basic exemption an additional exemption, the amount of which depends on their income. This legislation excludes the disability payments as a source of income when determining these exemptions. It also requires towns to give a \$1,000 property tax exemption to people who are totally disabled and people who are blind.

PA 06-153 (SB 169)



Rep. Tallarita meets with Majority Leader Christopher Donovan and fellow State Representative Betty Boukus.

Social Security Offset

This act eliminates the deduction of Social Security retirement benefits from workers' compensation wage replacement benefits, thus allowing a worker injured after the act's effective date to receive both benefits with no offset. Under prior law, a person eligible for workers' compensation total disability payments received workers' compensation only if it exceeded his Social Security retirement benefit, and he received only the amount of workers' compensation over the Social Security benefit.

(sSB 25, effective on passage)



Tony & Lil Troiano, along with Kay & Pat Tallarita, celebrate their 44th Wedding Anniversaries at the Capitol with Speaker Jim Amann & Representative Kathy Tallarita.

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